



# Town of Orleans

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## Finance Committee Meeting

19 School Road Orleans Massachusetts 02653-3699

### MEETING MINUTES Thursday, April 7, 2022

This was a virtual meeting of the Orleans Finance Committee convened via remote participation using "Zoom" webinar technology with real-time public access provided by Orleans Channel 18 on the Town website and cable television.

The meeting was called to order at 5:00pm by Finance Committee Chairman Lynn Bruneau. Also present and thus constituting a quorum were Vice Chairman Nick Athanassiou and Committee members Elaine Baird, Lou Ciavarra, Chris Kanaga, Constance Kremer, Ed Mahoney and Peter O'Meara. Tim Counihan was absent.

**Guests:** Town Administrator John Kelly and Finance Director Cathy Doane. Mia Baumgarten from Media Ops provided technical support for the meeting.

**Public Comment:** none this evening

**Announcements:** -The Town's IT/Media Ops Dept has scheduled a series of workshops to help community members learn more about the new website. "Drop in" workshops in the Marion Craine room at the Library on most Fridays in April from 10:30am-noon; also 5/13/22 and 5/20/22 and 6/03/22 and 6/17/22. Goal: help you navigate the new website, how to sign up for alerts/notifications, how to use the site on various devices, how to enroll in CivicReady (the emergency alert system) and EyeOnWater - and answer questions and catalogue feedback about website.

- Lots of information about the Wastewater project on Town website on the "Government" page - w/ information about the Downtown project currently underway as well and plans for the next phase (MHP area). If you have questions - whether about connecting for the Downtown area w/ "first flush" scheduled for 9/1 or the next phase/MHP - contact the "Sewer Ombudsman" Reggie Donoghue - info posted - phone and email.

- "Community Conversation" scheduled for sharing information and providing input regarding the potential use of the Gov. Prence property. The next session is Monday, 4/11 at 5:30pm - a Zoom webinar. The link is on the Gov. Prence Committee website. Significant opportunity to provide input in planning the Town's future.

- On Tuesday, 4/12/22 - the Economic Development consultants "Streetsense" will be presenting their report in a Zoom meeting starting at 4pm. Info on Planning Dept website.

- Finally - remember to calendar the Annual Town Meeting - Monday May 9 at 6pm in the Middle School gymnasium. Childcare will be provided. The printed Warrant s/be available in mid-April. Save the date and time!

**Review/Approval of Finance Committee Meeting Minutes** - 3/23/22 and 3/31/22 - defer until after discussion w/ Town Administrator and Finance Director

**Meet with Town Administrator John Kelly regarding Any Open Q's re Warrant Articles for May Town Meeting, the FY23 Budget and Capital Budget and FY24-FY26 CIP**

- Ms. Bruneau welcomed Town Administrator John Kelly and Finance Director Cathy Doane and noted that the focus of the Q&A would begin with Articles that Fin Comm had not yet voted on (due primarily

to open questions) - and any others where changes had been made since Fin Comm voted.

- Article 5 - "Departmental Revolving Funds Authorization" - Ms. Bruneau has noted that the Rec Dept Revolving Fund used to be in a separate Article, with funding authorized by MA GL CH 44 Section 53D. Now it is included with other revolving funds but there is no reference to Section 53D. Mr. Kelly responded that up until this year, they were not aware that this could be included under Section 53E ½. Town Counsel has identified a Division of Local Services opinion which said the Town could do either, and thus they "sunset" the previous approach. This is now more consistent with the other revolving funds.

- Articles 8 - 12 - "Fund Enterprise Fund Budgets FY23" - specifically, Ms. Bruneau noted that the wording in the Sewer Enterprise Fund Article has now been updated, ensuring consistency and completeness between the "Motion" and the "Summary". With regard to the Transfer Station, the wording in the "Motion" is slightly different from that for the other Enterprise Funds in that the fees for the Transfer Station are set by the Board of Health, not by the Select Board. Mr. Kelly noted that there will be a public hearing on May 5, 2022 to approve the rates included in the Enterprise Fund budget.

- Article 13 - "Fund Town/School Budget FY23" - Mr. Kelly noted that several minor errors in the text had been corrected, and that the wording in the "Summary" with regard to the general override had been simplified per Ms. Bruneau's suggestion.

- Article 14 - "Capital Improvements Plan FY24-FY28" - at Ms. Bruneau's request, Mr. Kelly reviewed the most recent changes to the CIP - highlighting the line item detail as well as the totals for the years impacted by the changes.

- Article 18 - "Adopt Sewer Assessment Bylaw" - Ms. Bruneau noted that the Select Board voted to approve a 2% interest rate for betterment loans on top of the project loan interest rate for betterments; statute requires that actual interest rate be set (not just simple "up to" language). At the Select Board meeting, Kevin Galligan and others had wanted more info on true cost of admin for these loans (eg, how many betterment loans; how many betterment bills), but no information was available and Ms. Doane would not speculate. First betterments w/be Fall 2024 so time to adjust if needed. Mr. Kelly provided some additional information about the sewer operator (Suez, now owned by Veolia).

- Article 21 - "Fund Replacement of Water Mains in MHP Sewer Area" - is \$1.875M number being changed officially to \$575K - just Lucy's Lane and Baxter Lane - 2 roads instead of 5? Yes.

- Article 22 - "Fund Replacement of Water Services in MHP Sewer Area" - can Water Dept FY23 budget cover these two Articles? Yes - both of these are borrowings with debt service to be paid from the Water Special Revenue Fund.

- Article for School roofs/windows - removed from Warrant and Ballot -- possibly in October.

- Article 24 - Cedar Pond Q's - now \$25k but for what? These are wetlands and not buildable. Mr. Kelly noted that the \$25K was the appraised value so the voters will be aware of the value of the property, which w/be used for passive recreation or preserving the water shed. Ms. Bruneau asks if any of these funds would be going towards Cons Com so they can maintain the property? Mr. Kelly responded, no.

- Article 26 - "Fund WTP Residuals Handling Implementation" - this Article will be pulled from the Warrant. Estimate had been \$250k but only a single bid - \$1.47M; need to stop and rethink. Mr. Kelly stated he spoke with Tom Daley and they're unsure where the problem is. A residual study was completed and a design was planned for implementation. There was only one bid. They will go back to the designer to ask why things were so far off. They are unsure the true value of the work. The

engineer's original estimate was \$250K. This will be revisited in the fall.

- Article 33 - "Vehicles & Equip Stabilization Fund" - totals \$450k but dollars for listed items as shown in detail > 450k. Ms. Bruneau asks if this is clear enough to the readers, the allocation amongst the different departments. Mr. Kelly said that he takes the costs of vehicles and equipment over 10 years and allocates it to each department. The allocated funds stay within each department "account" and each department manages their allocation from year-to-year as their needs change.

- Articles 35 and 36 - Bond Premiums and Bond Proceeds. Ms. Doane responded to Ms. Bruneau's question about the wording, noting the difference in between "A" and "B" - they were intentionally written this way, as they are not reducing the amount authorized. The typos in Article 36 have been corrected.

-Article 51 - Blue Economy - what and why for only \$15k? Mr. Kelly responded that the intent of this is to build on the recently completed economic development study. The Town wants to supplement the information - to determine the economic impact on "blue economy" facilities such as Rock Harbor, Nauset Beach and the commercial enterprises at some of the Town landings. Although there is no current proposal, it was thought that \$15k w/be enough to get started. Ms. Bruneau asked if this would be a property and asset survey for now.

-Article 52 - Financial software \$31k - year one only - purchase/lease and implementation? Ms. Doane confirmed that this is the financial software planned to support financial transparency for the town for posting on the town website for the public - the same software that Chatham uses. Costs - \$15k for year 1 development and implantation of the platform and \$16k for annual operation. If approved at town meeting, the software might be operational before mid-year FY23.

-Article 74 - Mill Pond Petition - Mr. Kelly noted that there the petition is requesting that the Select Board plan to sewer this area. However, it could be very expensive to run 6 miles of sewer pipe for 20 houses. At present, there are no defined plans for sewer phases four, five or six - and whether those phases w/be all sewers - or a combination of sewers and other technologies (eg, PRB's). The Select Board voted 2-3 on the Article, with some expressing the need to follow a defined planning process, and not to have petitioners jump ahead in line.

-During the CIP discussion, Ms. Bruneau asked about the ambulance numbers. Mr. Kelly stated that when purchasing new ambulances, they will also begin including the cost of equipping the new ambulances. The projected costs were increased for FY24 to \$400K, in FY27, the ambulance cost was increased to \$430K.

-Ms. Bruneau asked about the emergency services policy. The policy outlines how the acquisition of ambulances/how the receipts from the transports are used. The policy was updated to make sure the reserve allocation was increased year over year. The intent is to have enough cash after three years to purchase an ambulance with cash. The updated policy was approved by the Select Board at the April 6, 2022 meeting.

-Ms. Bruneau asked Ms. Doane about the changes in the Enterprise Fund Policy. Ms. Doane stated that there were just housekeeping changes done, language was modified and changed from FY22 to FY23. Ms. Bruneau asked about the language added to the policy about funding capital projects. Ms. Doane responded that in terms of debt, last year, it was stated that any future debt would be covered by the Enterprise Funds. However, the Select Board was not in favor of this objective at this time and thus the language was moderated. They will continue to review the language each year.

-Ms. Bruneau asks about funding for Lonnie's Pond. Mr. Kelly responded re the non-traditional project for oysters, noting that the Town would like to have MA DEP accept this approach as a way

to reduce the nitrogen in the water and get credit for this as opposed to sewerage this area. A new 3-year contract was signed at the end of January; the Warrant Article w/ extend that to a 5-year contract with Town Meeting approval (as currently required by the Town Charter).

- Ms. Bruneau asks about the fire department traffic light petition. Mr. Kelly confirmed that the petition was circulated by those who live adjacent to the traffic lights. The Town checked with the engineer who designed the set-up (following national standards, based on the road layout). Either the flashing yellow stays, or it could be changed to solid green until red is needed. The light was put in to address safety concerns and response times. To change it from flashing amber lights to solid green would cost another \$20,000, as it requires programming and equipment changes. The Select Board will be meeting with Tom Daley and Chief Deering at the May 4, 2022 Select Board meeting, and they hope to have a plan in place prior to town meeting.

- Ms. Bruneau thanked Mr. Kelly and Ms. Doane for their help with tonight's Fin Comm meeting and noted that Fin Comm hoped to finish voting on the remaining two dozen-plus Articles at tonight's meeting.

### **Continue Voting on Draft Town Meeting and Special Town Meeting Warrant Articles**

Note: Article numbers referenced correspond to Article numbers in the Warrant Index dated 4/7/22. The Article titles are those noted in the Warrant Index.

**Motion by Ms. Baird to recommend Article 5 - "Departmental Revolving Funds Authorization", second by Ms. Kremer. The vote was 8-0 with Mmes. Bruneau, Baird and Kremer and Messrs. Athanassiou, Ciavarra, Kanaga, Mahoney and O'Meara all voting aye by roll-call.**

**Motion by Ms. Baird to recommend the "Consent Calendar", second by Ms. Kremer. The vote was 8-0 with Mmes. Bruneau, Baird and Kremer and Messrs. Athanassiou, Ciavarra, Kanaga, Mahoney and O'Meara all voting aye by roll-call.**

**Motion by Ms. Baird to recommend Articles 8, 9, 10, 11 and 12 - Fund Enterprise Funds FY23, second by Ms. Kremer. The vote was 8-0 with Mmes. Bruneau, Baird and Kremer and Messrs. Athanassiou, Ciavarra, Kanaga, Mahoney and O'Meara all voting aye by roll-call.**

- Article 8 - Fund Beaches Enterprise Fund FY23
- Article 9 - Fund Moorings Enterprise Fund FY23
- Article 10 - Fund Rock Harbor Enterprise Fund FY23
- Article 11 - Fund Sewer Enterprise Fund FY23
- Article 12 - Fund Transfer Station Enterprise Fund FY23

**Motion by Ms. Baird to recommend Article 13 - "Fund Town/School Budget FY23", second by Ms. Kremer. The vote was 8-0 with Mmes. Bruneau, Baird and Kremer and Messrs. Athanassiou, Ciavarra, Kanaga, Mahoney and O'Meara all voting aye by roll-call.**

**Motion by Ms. Baird to recommend Article 14 - "Capital Improvements Plan FY24-FY28", second by Ms. Kremer. The vote was 6-0-2 with Mmes. Bruneau, Baird and Kremer and Messrs. Athanassiou, Ciavarra and Kanaga all voting aye by roll-call. Messrs. Mahoney and O'Meara abstained.**

**Motion by Ms. Baird to recommend Article 17 - "Fund CWRMP - Fresh and Saltwater Adaptive Management", second by Ms. Kremer. The vote was 8-0 with Mmes. Bruneau, Baird and Kremer and Messrs. Athanassiou, Ciavarra, Kanaga, Mahoney and O'Meara all voting aye by roll-call.**

**Motion by Ms. Baird to recommend Article 18 - "Adopt Sewer Assessment General Bylaw", second by Ms. Kremer. The vote was 6-0-2 with Mmes. Bruneau, Baird and Kremer and Messrs. Athanassiou, Ciavarra and Kanaga all voting aye by roll-call. Messrs. Mahoney and O'Meara abstained.**

**Motion by Ms. Baird to recommend Article 19 - "Fund Meetinghouse Pond Area Sewer Collection System Construction", second by Ms. Kremer. The vote was 6-0-1 with Mmes. Bruneau, Baird and Kremer and Messrs. Ciavarra, Kanaga and Mahoney all voting aye by roll-call. Mr. O'Meara abstained and Mr. Athanassiou recused himself as he lives with the MHP area.**

**Motion by Ms. Baird to recommend Article 20 - "Fund Water Quality Improvements in MHP Sewer Area", second by Ms. Kremer. The vote was 8-0 with Mmes. Bruneau, Baird and Kremer and Messrs. Athanassiou, Ciavarra, Kanaga, Mahoney and O'Meara all voting aye by roll-call.**

**Motion by Ms. Baird to recommend Articles 21 and 22 - "Fund Replacement of Water Mains in MHP Sewer Area" and "Fund Replacement of Water Services in MHP Area"; second by Ms. Kremer. The vote was 8-0 with Mmes. Bruneau, Baird and Kremer and Messrs. Athanassiou, Ciavarra, Kanaga, Mahoney and O'Meara all voting aye by roll-call.**

**Motion by Ms. Baird to recommend Article 24 - "Acquire Cedar Pond Parcels by Eminent Domain Taking", second by Ms. Kremer. The vote was 8-0 with Mmes. Bruneau, Baird and Kremer and Messrs. Athanassiou, Ciavarra, Kanaga, Mahoney and O'Meara all voting aye by roll-call.**

**Motion by Ms. Baird to recommend Article 32 - "Fund Vehicle and Equipment Maintenance Stabilization Fund", second by Ms. Kremer. The vote was 8-0 with Mmes. Bruneau, Baird and Kremer and Messrs. Athanassiou, Ciavarra, Kanaga, Mahoney and O'Meara all voting aye by roll-call.**

**Motion by Ms. Baird to recommend Articles 34 and 35 - "Application of Bond Premiums" and "Transfer of Unexpended Bond Proceeds", second by Ms. Kremer. The vote was 8-0 with Mmes. Bruneau, Baird, and Kremer and Messrs. Athanassiou, Ciavarra, Kanaga, Mahoney and O'Meara all voting aye by roll-call.**

The Committee agreed to wait until Town Meeting to vote on Article 49 - "Free Cash Transfer to General Stabilization Fund", pending the availability of further information.

The Committee agreed to wait until Town Meeting to vote on Article 50 - "Fund Blue Economy Study on Economic Impact". Key questions remain - why such a study is needed when the funding amount seems arbitrary. Also - the Article doesn't clearly explain what is meant by "blue economy". Ms. Bruneau will reach out to Bill Amaru, Chairman of the Town's Shellfish & Waterways Committee, to see if that Committee can provide some wisdom about the need for/value of such a study.

**Motion by Ms. Baird to recommend Article 51 - "Fund Financial Program Software for Website", second by Ms. Kremer. The vote was 8-0 with Mmes. Bruneau, Baird and Kremer and Messrs. Athanassiou, Ciavarra, Kanaga, Mahoney and O'Meara all voting aye by roll-call.**

The Committee agreed that Article 74 - the Petition re the "Evaluation of the Mill Pond for Sewering" - as written, has "No Financial Significance".

The Committee agreed that they would postpone voting on Special Town Meeting Articles 1 and 2 - "Bills of Prior Years" and "Fund Unanticipated Employee Buyouts" until Town Meeting, pending receipt of further/updated information.

**Motion by Ms. Baird to recommend Article 3 for the Special Town Meeting - "Fund Police Detail", second by Ms. Kremer. The vote was 8-0 with Mmes. Bruneau, Baird and Kremer and Messrs. Athanassiou, Clavarra, Kanaga, Mahoney and O'Meara all voting aye by roll-call.**

**Motion by Ms. Baird to recommend Article 4 for the Special Town Meeting - "Fund Shortfall in Revolving Fund for Electric Charge Stations"; second by Ms. Kremer. The vote was 6-2 with Mmes. Bruneau, Baird and Kremer and Messrs. Athanassiou, Clavarra, and Kanaga all voting aye by roll-call. Messrs. Mahoney and O'Meara voted nay.**

**Motion by Ms. Baird to recommend Article 5 for the Special Town Meeting - "Fund Water Treatment Plant HVAC Engineering Design"; second by Ms. Kremer. The vote was 8-0 with Mmes. Bruneau, Baird and Kremer and Messrs. Athanassiou, Clavarra, Kanaga, Mahoney and O'Meara all voting aye by roll-call.**

The Committee agreed that both Articles 6 and 7 for the Special Town Meeting - "Grant Town Administrator Authority to Extend Contract for Lonnie's Pond Aquaculture Services to 5 Years" and "Petition to Alter the Fire/Rescue Department Traffic Signal on Eldredge Park Way" have "No Financial Significance".

That completed Fin Comm voting on Warrant Articles, with just half a dozen or so to be voted on at or before Town Meeting. Ms. Bruneau will document tonight's votes and send them to Liana Surdut after tonight's meeting, to be included in the Warrant before it goes to press tomorrow (Friday, 4/8/22).

Mr. Athanassiou and Mr. Kanaga retired from the meeting at approximately 7:05pm Eastern time.

#### **Review/Approval of Fin Comm Meeting Minutes**

##### **-Meeting Minutes from March 23, 2022**

**Motion by Ms. Baird to approve the meeting minutes from March 23, 2022; second by Ms. Kremer. The vote was 6-0 with Mmes. Bruneau, Baird and Kremer and Messrs. Clavarra, Mahoney and O'Meara all voting aye by roll-call. Messrs. Athanassiou and Kanaga left the meeting about 7:05pm and thus were not present for this vote.**

##### **-Meeting minutes from March 31, 2022**

**Motion by Ms. Baird to approve the March 31, 2022 meeting minutes, second by Ms. Kremer. The vote was 5-0-1 with Mmes. Bruneau, Baird and Kremer and Messrs. Mahoney and O'Meara voting all voting aye by roll-call. Mr. Clavarra abstained as he was absent from the 3/31/22 meeting. As noted above, Messrs. Athanassiou and Kanaga left the meeting about 7:05pm and thus were not present for this vote.**

#### **General Updates Including Recent Select Board/Other Meetings**

**Select Board Meeting from 4/6/22 - following approval of Beacon Room outdoor dining space - permanent alteration - John Kelly noted that governor signed into law - year-long automatic extension of temporary outdoor dining/drinking licenses - until next April 1 or 2. So all temporary licenses are extended unless file for permanent. Some different rules for "permanent" (eg, flooring); BOH rules, not Select Board.**

-Voted on Warrant Articles and Mill Pond Petition; Special TM Warrant Articles; removed OES Windows & Roofs debt exclusion question from ballot (and Warrant)  
-Approved updated EF Policy. Also approved updated Emergency Medical Svcs Policy re Use of Ambulance Reserves - last update was 9/2018. This updates estimated cost of ambulances from \$345k to \$400k; updated operating budget from FY19 number to FY22 number (\$2.75M to \$3.26M); and notes that reserves will be used to purchase and equip new ambulances.  
-Voted to update Fire/Rescue Feas Study Comm charge - added sentence mid-page "As noted at Special Town Meeting (10/25/21), the feasibility study should not examine land owned by NRSD."  
-Also noted RFP was issued to solicit responses from private property owners who w/be willing to sell their property to the Town for the construction of a new Fire/Rescue station. Responses were due at 3pm on 4/6/22. Zero responses were received. Thus fall-back is to focus on OES location and get moving. Unfortunate - but likely time-saver. Town owns OES property; OES manages it.  
-Gov. Prence - 4/11/22 public Zoom meeting on design; Fire Feasability Study - have visited Brewster + Chatham; next to Hyannis. Broadband - hope to have proposal for Fall TM.  
-Future agendas - EV substation - plantings; Orleans "gateway"; impact of commercial enterprises on look of Town.

### Finance Committee Liaison Reports

-AHC - 4/05/22 - plans to update study from previous years; will ask for \$40k from AHTB for funding  
-CRC - 4/04/22- they going back to code of conduct; emergency planning; role of TA/TM; other chapters not fully covered including Ch. 8 - more for Fall TM; they don't understand Fin Comm "no" vote on quorum  
-OES - Wednesday presentation during "Lifetime Learning"  
-Fire Dept - Baird/Bruneau to meeting w/ Chief Deering on Friday - likely need another Reserve Fund transfer to cover ambulance engine rebuild; new fire truck due w/in week or two; Feas Study Comm to Fin Comm on 4/21/22 and 5/19/22  
-Gov. Prence - 4/11/22 at 5:30 - Zoom session  
-Planning Board - 4/12/22 from 4pm - public session re "Streetsense" report

### Review Schedule and Items for Future Agendas

- a. Affordable Housing Committee/Affordable Housing Trust Board - April or May?
- b. Fire/Rescue Station Feasibility Study Committee - April 21 and May 19
- c. Focus for Fin Comm Financial Discussions//Priorities

-Thursdays in April - any final voting; prep for Town Mtg (who to speak on what Articles; focus of commentary); follow-up on Fin Comm Budget Reviews; Fire Feas Comm to 4/21/22 meeting  
-Thurs, 5/05/22 - final prep for TM  
-Monday, 5/09/22 Fin Comm meeting before TM for any final votes; TM at NRMS gymnasium  
-Thurs, 5/19/22 - TM post-mortem; Fire Station Feas Comm to Fin Comm  
-Thurs, 6/09/22 & 6/23/22 - Regular Fin Comm meetings

**Adjourn:** Motion by Mr. Mahoney to adjourn, second by Ms. Baird. The vote was 6-0 with Mmes. Bruneau, Baird and Kremer and Messrs. Ciavarra, Mahoney and O'Meara all voting aye by roll-call. The meeting was adjourned at 7:22pm

Respectfully submitted,

Stacy Faber, Recording Secretary

All documents listed below are in the Fin Comm Drop Box except as noted:

1. April 7, 2022 Finance Committee meeting agenda.
2. Draft Warrant Index (dated 4/7/22)
3. Draft Warrant Articles (dated 4/1/22)
4. Draft minutes for the 3/23/22 Finance Committee Meeting
5. Draft minutes for the 3/31/22 Finance Committee meeting
6. Select Board meeting packet from 4/6/22 Select Board meeting (Select Board website)
7. Updated Enterprise Fund Policy (4/6/22 Select Board meeting packet)
8. Updated Emergency Medical Services Policy (4/6/22 Select Board meeting packet)
9. Updated Fire/Rescue Feasibility Study Committee "Charge" (4/6/22 Select Board mtg pkt)

The minutes for the April 7, 2022 Finance Committee meeting were reviewed and approved at the April 21, 2022 meeting. **Motion to approve by Ms. Baird; second by Ms. Kremer. The vote was 6-0-1 with Mmes. Baird, BrunEAU and Kremer and Messrs. Athanassiou, Clavara and Mahoney all voting aye by roll-call. Mr. Counihan abstained as he was absent from the April 7 meeting.**

Tim Counihan Clerk Finance Committee  
Timothy R. Counihan 5/6/22